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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

BEFORE THE HONORABLE MAXINE M. CHESNEY, JUDGE

UNITED STATES OF AMERICA,

Plaintiff,

VS.

No. CR 18-465 MMC

UNITED MICROELECTONICS  
CORPORATION, INC.; FUJIAN  
JINHUA INTEGRATED CIRCUIT, CO.,  
LTD.; CHEN ZHENGKUN, a.k.a.  
STEPHEN CHEN; HE JIANTING,  
a.k.a. J.T. HO; and WANG  
YUNGMING, a.k.a. KENNY WANG.

Defendants.

San Francisco, California  
Wednesday, April 17, 2019

**TRANSCRIPT OF PROCEEDINGS**

**APPEARANCES:**

For Plaintiff: DAVID L. ANDERSON  
UNITED STATES ATTORNEY  
450 Golden Gate Avenue, 11th Floor  
San Francisco, California 94102  
**BY: SHIAO C. LEE**  
**ASSISTANT UNITED STATES ATTORNEY**

For Defendant United Microelectronics Corporation:  
LATHAM & WATKINS  
505 Montgomery Street, Suite 2000  
San Francisco, California 94111  
**BY: MARGARET TOUGH, ESQ.**

(Appearances continued on next page)

Reported By: Katherine Powell Sullivan, CSR #5812, RMR, CRR  
Official Reporter - U.S. District Court

**APPEARANCES (CONTINUED) :**

Fujian Jinhua Integrated Circuit, Co. Ltd.:

MORRISON & FOERSTER

425 Market Street

San Francisco, California 94105

**BY: CHRISTINE Y. WONG, ESQ.**

Wednesday - April 17, 2019

2:20 p.m.

P R O C E E D I N G S

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**THE CLERK:** Calling criminal case number 18-465,  
United States of America versus United Microelectronics and  
Fujian.

Counsel, please state your appearances for the record.

**MS. LEE:** Shiao Lee on behalf of the United States.  
Good afternoon, Your Honor.

**THE COURT:** Good afternoon.

**MS. WONG:** Good afternoon, Your Honor. Christine Wong  
for Fujian Integrated Circuits Co., Ltd.

**THE COURT:** Hello.

**MS. TOUGH:** Good afternoon, Your Honor. Margaret  
Tough, of Latham & Watkins, for defendant United  
Microelectronics Corporation.

**THE COURT:** Okay. All right. Where are we with this  
case? I have some idea where the civil case is, but less  
knowledge about where this one is.

**MS. LEE:** We are still negotiating the terms of the  
protective order. We have been producing discovery that is not  
confidential or proprietary or trade secret related in the  
meantime.

I'm hopeful that we are close to coming to an agreement on  
the protective order. There is still batches of incoming

1 discovery from Taiwan that we are obtaining. So long as those  
2 are not confidential, we will continue to produce those on a  
3 rolling basis.

4 Once the protective order is entered we can then make all  
5 the remainder of the discovery available to the defense  
6 counsels.

7 We have upcoming trips that are being made to continue  
8 the -- you know, the progress of the case, but I think at this  
9 juncture it's probably best to put this case over to the middle  
10 or the end of May as we continue to work through discovery  
11 issues.

12 **THE COURT:** Okay.

13 I wonder if we should put your name down on our calendar.  
14 We have Ms. Caldwell.

15 **MS. TOUGH:** I'm standing in for her today.

16 **THE COURT:** Right. Could you give me the spelling on  
17 your last name?

18 **MS. TOUGH:** Sure. Tough. T-o-u-g-h.

19 **THE COURT:** Oh, my goodness.

20 **MS. TOUGH:** Come by honestly.

21 **THE COURT:** Watch out.

22 So did you discuss a date or not?

23 **MS. LEE:** Not a particular day.

24 **THE COURT:** Do you want to just take a minute off the  
25 record to confer --

1           **MS. WONG:** Sure.

2           **THE COURT:** -- and then let me know.

3           (Counsel confer off the record.)

4           **MS. LEE:** How about May 22nd, at 2:15, Your Honor?

5           **THE COURT:** Let me just check that. I think that's  
6 okay. Should be. All right. And I assume from everything  
7 you've said that there would be grounds, then, to exclude time  
8 from the running of the Speedy Trial clock?

9           **MS. LEE:** Yes.

10          **MS. WONG:** And, Your Honor, I believe there are  
11 grounds, but there is one thing that I want to point out to the  
12 Court.

13          And that is, if it were possible for Jinhua to go to trial  
14 quickly, it would. And this is in part because the government  
15 has -- and not this government necessarily, but the government  
16 has put Jinhua on what is the Commerce Department's entity  
17 list, which has prevented Jinhua from receiving any products  
18 that have any U.S.-based-origin technology, which is  
19 essentially anything.

20          And so that is, you know, we've got a ticking time clock  
21 on the viability of the company. And Jinhua is very anxious to  
22 have its day in court.

23          That said, we understand that the Government is waiting  
24 for discovery from abroad. There is a specific exclusion under  
25 the Speedy Trial Act that allows for waiting for discovery from

1 abroad, and so we understand that. It's somewhat futile for us  
2 to protest the exclusion of time under the Speedy Trial Act,  
3 but we did want to let everyone understand where we are in this  
4 matter.

5 **THE COURT:** Okay. I know that from the beginning  
6 Jinhua has been in a somewhat different position than UMC for  
7 both the civil and criminal cases, because the people that work  
8 for Micron, for example, came to UMC not to Jinhua.

9 And I don't know what evidence you will ultimately, you  
10 know, marshal to bring your case against Jinhua as well as  
11 against UMC, but that's been essentially the position that  
12 they've taken and continue to take, that there isn't enough  
13 evidence. I've got the motion pending right now from both  
14 parties but different grounds.

15 So but for today, today you feel there are grounds to  
16 exclude; you're just concerned about things taking too long?

17 **MS. WONG:** Exactly, Your Honor.

18 **THE COURT:** Okay. Well, I'm going to continue the  
19 matter, for further status, to May 22, at 2:15.

20 I will exclude the time between now and then, through that  
21 date, from the running of the Speedy Trial clock, for effective  
22 preparation of counsel for the reasons stated.

23 This is a fairly involved case, also, and the exclusion  
24 is, at least at the moment, in the interests of both defendants  
25 and outweighs any other interest they might have, or the

1 public, in moving forward without the exclusion.

2 So that should, I think, conclude this proceeding today.  
3 I don't need a separate order on the exclusion.

4 **MS. LEE:** Thank you, Your Honor.

5 **MS. WONG:** Thank you, Your Honor.

6 **THE COURT:** Thank you very much.

7 (At 2:26 p.m. the proceedings were adjourned.)

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13 CERTIFICATE OF REPORTER

14 I certify that the foregoing is a correct transcript  
15 from the record of proceedings in the above-entitled matter.

16  
17 DATE: Friday, April 26, 2019

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22 Katherine Powell Sullivan, CSR #5812, RMR, CRR  
23 U.S. Court Reporter  
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